

## **I. INTRODUCTION**

Low participation rates in the Food Stamp Program (FSP) by poor elderly individuals have been a persistent problem. Historically, no more than one-third of eligible elderly individuals have participated in the FSP—a participation rate that is far lower than that of any other major demographic group. For example, in 1999, the participation rate of all nonelderly FSP-eligible individuals was almost twice that of the elderly. Five years earlier, when economic conditions were not as strong, the participation rate for the nonelderly was much higher, at 78 percent, yet the participation rate for the elderly was still just 32 percent.

To address the low participation rates among the elderly, the U.S. Department of Agriculture (USDA) is funding the Elderly Nutrition Demonstrations—six separate pilot programs that are testing three alternative ways to increase elderly participation in the FSP and improve the satisfaction of elderly persons who participate. Insights and information obtained from the evaluation of these demonstrations should help federal policymakers formulate effective strategies for increasing FSP participation among the elderly.

Mathematica Policy Research, Inc. (MPR) was selected through a competitive bidding process to design the evaluation of the Elderly Nutrition Demonstration pilots, prepare a schedule for the evaluation, and estimate the cost of conducting the evaluation. The evaluation design is presented in Sing et al. (2002). This report presents evaluation design options, schedules, and cost estimates for the evaluation. We assume that readers of this report have read or have access to the evaluation design report, so much of the information presented in the design report is not repeated in this report.

This chapter briefly presents the policy context for the evaluation, describes the six pilots, presents an overview of the design, and concludes with a recommendation.

## **A. THREE DEMONSTRATION MODELS TO INCREASE THE ELDERLY'S FSP PARTICIPATION RATES**

USDA developed three demonstration models that are intended to increase elderly participation in the FSP: (1) the Simplified Eligibility and Benefit Determination model, (2) the Application Assistance for Eligible Elderly model, and (3) the Alternative Food Stamp Commodity Benefit model. These models seek to reduce the barriers to FSP participation that elderly persons face. Strategies include simplifying the application process, increasing eligible elderly individuals' understanding of the program, assisting elderly individuals with the application process, or providing food stamp benefits as commodities rather than either coupons or as payments on an EBT card. All three models rely heavily on publicity campaigns to expand outreach efforts to eligible elderly. These campaigns will increase awareness of FSP eligibility, nutritional issues, and demonstration benefits.

USDA has entered into cooperative agreements with six states to implement these demonstration models. Florida is implementing the simplified eligibility and benefit determination model; Arizona, Maine and Michigan are implementing the application assistance model; and Connecticut and North Carolina are implementing the alternative food stamp commodities model.<sup>2</sup>

### **1. Simplified Eligibility Model (Florida)**

The simplified eligibility model is designed to reduce the burden associated with applying for food stamps by simplifying the process of determining eligibility. Florida's simplified eligibility demonstration is available to households consisting of elderly individuals only and will be implemented in two pilot counties, Gadsden and Leon. The demonstration will take

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<sup>2</sup>The pilot in Arizona is replacing a pilot in Oregon which asked to withdraw from the demonstration.

several steps to reduce the burden of applying for food stamps. Elderly individuals applying for food stamps will be given a short, one-page application that asks only relevant information (the longer, universal form requests information about the age of children and other characteristics not relevant to this population). Elderly individuals will not have to provide documentation verifying their income and deduction amounts. Completed applications can be mailed or faxed to the local office, or the individual, a friend, or an advocate can drop them off. The face-to-face application and recertification interviews will be waived.

The Florida demonstration will require applicants to verify citizenship status. Additionally, the state will verify Social Security numbers, Social Security income and SSI income using existing databases. Because the shorter application form is part of the application assistance model and not the simplified eligibility model, the state will also use the shorter form in two comparison counties (Alachua and Jackson counties) but will not change the rules.

## **2. Application Assistance Model (Arizona, Maine, and Michigan)**

The application assistance model uses strategies designed to improve outreach to eligible nonparticipants and to reduce the burden of applying for food stamps by providing assistance with the application process. Under this demonstration, eligibility rules will remain unchanged, but elderly people will be provided with help in understanding program requirements and in completing their applications. Sites implementing application assistance models will link elderly applicants with application assistance workers from nonprofit community service organizations. Assistance workers will provide one-on-one application assistance, helping elderly applicants assemble documents needed to apply for food stamps, understand the application, and complete forms. Application assistance workers may also participate in the applicant's caseworker interviews to interpret difficult questions and prevent errors. This assistance is intended not only to help the elderly meet program requirements but also to provide emotional support. Arizona

(Yavapai and Pinal counties), Maine (Waldo County) and Michigan (Genesee County) have developed variations of the application assistance model.

### **3. Commodity Alternative Model (Connecticut and North Carolina)**

Under the commodity alternative model, elderly FSP households will have the option of receiving one or two packages of commodities each month instead of food stamp coupons or an Electronic Benefit Transfer (EBT) card. Food packages will be designed to meet the unique nutritional needs of the elderly. In areas with large multicultural populations, packages might include ethnic or traditional foods in an attempt to attract new elderly participants from these groups. This model will be implemented in Connecticut (10 towns in the Hartford area) and North Carolina (Alamance County).

Households participating in this model will be limited to those in which all members are elderly, and households can receive one package for every eligible elderly member. Households applying for food stamps can choose between the food packages and traditional food stamp benefits. With some restrictions, households that select commodities can switch to food stamps, and vice versa.

Nonprofit food distribution programs that partner with the state FSP office will distribute commodities packages. These organizations will take primary responsibility for ordering, storing and distributing the commodities packages. Other organizations, such as health service organizations, churches, and Meals on Wheels, will assist with publicity, nutrition education, and home deliveries. Commodities will be delivered to certain participants' homes. Most participants (or their authorized representatives) will pick up packages at local distribution centers.

Each commodity package will cost the same as the average benefit that elderly FSP recipients receive in the commodity alternative pilot sites. This cost includes the cost of the

commodities and the cost to the federal government of shipping the commodities to the commodity sites. Thus, if elderly households in a pilot site receive an average FSP benefit of \$40, then the demonstration can distribute packages whose contents cost \$40 to procure and ship. The cost of the packages will be the same for all participants, regardless of the benefit amount for which they are eligible.

#### **4. Demonstration and Evaluation Schedules**

During the summer of 2002, the USDA awarded two-year grants to the demonstration sites.<sup>3</sup> The two-year grant period ends in September 2003. If extensions are approved, the demonstrations could operate until September 2004. The USDA may extend the two-year demonstration grant period by awarding additional funds to each site, or by negotiating a no-cost extension to the current two-year grant period (for sites that have not spent all of their grant funds). If the USDA adds additional funds to the demonstrations, it is likely that they will operate until September 2004. If the USDA instead negotiates no-cost extensions with each demonstration, each demonstration will end when its grant funds run out, which will probably be sometime between October 2003 and September 2004.

Two sites—Florida and Maine--began serving clients under the demonstration in February 2002. If the demonstrations end in September 2003, Florida and Maine will have served clients for 20 months. North Carolina anticipates that it will start to serve clients sometime during the spring of 2002. Arizona hopes to start in June 2002, but acknowledges that this is an optimistic estimate. Michigan anticipates starting in June 2002, and Connecticut anticipates starting in October 2002.

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<sup>3</sup>A two-year grant was awarded to Arizona in early February 2002, after Oregon withdrew from the demonstration.

Throughout this report, we assume that the evaluation of these demonstrations will begin in October 2002. At that time, all the demonstrations should be serving clients. Both Florida and Maine will be in their ninth month of serving clients under the demonstration. North Carolina, Michigan, and Arizona, will each have four to seven months of experience serving clients, and Connecticut will probably be in its first month of operation.

## **B. OVERVIEW OF THE EVALUATION DESIGN**

There are six research objectives for the evaluation:

1. Assess the effects of the demonstrations on elderly FSP participation
2. Assess the effects of the demonstrations on the average value of the FSP benefit that elderly households receive
3. Assess the effects of the demonstrations on client satisfaction with various aspects of the FSP
4. Quantify the federal, state, and local costs of the demonstrations
5. Assess the effects of the demonstrations on state and local FSP agencies, nonprofit organizations participating in the demonstrations, alternative food assistance providers, and other stakeholders
6. Describe the implementation of the demonstrations, problems encountered, solutions to these problems, and lessons learned.

The evaluation design includes both an impact analysis and a process analysis of each site's demonstration. The impact analysis will evaluate the effects of the demonstrations on FSP participation, average benefit levels, client satisfaction, and ongoing administrative costs of the demonstrations. The impact analysis will use a pre-post comparison group design. Administrative data and a survey of demonstration participants will provide key information to support the analyses. The process analysis will quantify the costs of the demonstration, identify the effects of the demonstrations on stakeholders, and describe the implementation process. The

TABLE I.1  
OVERVIEW OF EVALUATION OBJECTIVES, DATA SOURCES,  
AND EVALUATION DESIGN ISSUES

Evaluation Objective	Data Sources	Methodology	Evaluation Design Issues
(1) Assess effects on FSP participation	Quarterly FSP participation data obtained for sites from states, beginning 7 months before start of demonstration	Descriptive analysis of data from pre/post comparison group analysis	Identifying appropriate comparison sites
		Conduct sensitivity analysis	Acquiring data
		Use findings from process analysis	Determining whether change in participation occurred at demonstration site  Determining extent to which change in participation (if any) was due to demonstration or other factors
(2) Assess effects on level of food stamp benefits	Quarterly participation data obtained for sites from states, beginning 7 months before the start of the demonstration	Descriptive analysis of data on benefit value and federal costs from pre/post comparison group analysis	Determining whether change in average benefits occurred at demonstration site
	Grocery store price scan data		Measuring value of commodities
(3) Assess effects on client satisfaction	Survey of elderly clients in commodity alternative sites who apply/recertify for food stamps	Univariate and multivariate regression analysis of survey data	Assessing the reliability and validity of satisfaction measures
	or Focus groups with clients at each site	Qualitative analysis of focus group data	
(4) Quantify costs of the demonstrations	Quarterly reports	Descriptive comparisons	Compiling uniform and accurate cost measures across sites
	Discussions with stakeholders	Process analysis	
	Participation data	“Building-up” cost estimates	Measuring cost of volunteers

TABLE I.1 (*continued*)

Evaluation Objective	Data Sources	Methodology	Evaluation Design Issues
(5) Assess effects on stakeholders	Quarterly telephone discussions with key demonstration staff	Process analysis	Triangulating the findings by speaking with all relevant stakeholders
	Annual site visits		Developing ways to encourage and secure participation of key informants
	Quarterly reports		Identifying the correct people to speak with in each organization
(6) Describe implementation process	Discussions with stakeholders	Process analysis	Identifying the correct people to speak with in each organization
	Site visit		
	Quarterly reports		

evaluation objectives, data sources, methods, and evaluation design issues are described below and are summarized in Table I.1.

### **1. Assess the Effects of the Demonstrations on Elderly FSP Participation**

Because a primary demonstration goal is to increase elderly FSP participation, a key objective of the evaluation is to measure the impact of each demonstration on the number of elderly households participating in the FSP. By comparing the rate of change in elderly participation in the pilot sites with the corresponding rate of change in elderly participation in similar comparison sites, the evaluation will attempt to identify how much of an observed change in elderly participation at the pilot sites is due to the demonstration versus other factors. The evaluation also will attempt to determine if the effects vary by subgroup (such as racial and ethnic groups, urban and rural residence, etc.). Administrative data will be used to measure the impacts on elderly participation.

### **2. Assess the Effects of the Demonstrations on the Average Value of FSP Benefits that Elderly Households Receive**

In affecting participation, the demonstration also might affect the average benefit paid to elderly residents in the pilot sites. All of the models might attract individuals eligible for higher-than-average or lower-than-average benefits. Additionally, the commodities alternative model might provide individuals with a package valued higher or lower than their traditional FSP benefits. Measuring the impact of the demonstrations on the value of FSP benefits will help USDA anticipate the costs associated with replicating the demonstrations on a larger scale. To measure this impact, the evaluation will compare the average benefit received by elderly households in the pilot site with the average benefit received by elderly in other sites (see Sing et al. 2002). Additionally, for the commodity alternative demonstrations, the evaluation will determine how many households choose traditional FSP benefits and how many choose

commodity benefits. The evaluation will use administrative data to measure the impact on average benefits.

### **3. Assess the Effects of the Demonstrations on Client Satisfaction**

To assess whether the FSP better meets the needs of the low-income elderly population under the demonstrations, the evaluation will assess the level of client satisfaction with the FSP overall and with key components of the program. Due to evaluation resource constraints, the Economic Research Service (ERS) and the Food and Nutrition Service (FNS) will decide whether to assess client satisfaction with a client satisfaction survey at the commodity alternative sites or with focus groups conducted at all sites. If a client satisfaction survey is conducted, we recommend that the evaluators attempt to interview all households in the target population in North Carolina, and a sample of the target population in Connecticut. Of particular interest for the commodity alternative model is the clients' satisfaction with receiving benefits in the form of commodities, in terms of the quality, quantity, and types of commodities received, and, also the process for receiving the commodities. The evaluation will measure whether the level of satisfaction is different for those who selected the commodity option compared with those who did not. Findings from the client satisfaction survey can be used to interpret findings from the participation impact analysis.

### **4. Quantify the Federal, State, and Local Costs of the Demonstrations**

Understanding the costs of the demonstrations will help USDA anticipate the costs of replicating successful demonstrations on a larger scale. The evaluation will measure the costs associated with the start-up of the demonstration, including the cost of training staff, conducting publicity campaigns, and developing partnerships with outside organizations. It will also measure the cost of ongoing administration of the demonstrations, including not only the costs

incurred by the federal FSP, but also the costs incurred by the state and local FSP agencies, as well as by nonprofit organizations. Data to support the analyses will come from administrative reports, as well as discussions with program directors and key demonstration staff.

## **5. Assess the Effects of the Demonstrations on Stakeholders**

Although the demonstrations are designed to affect the FSP-eligible elderly population, the demonstrations also will affect other stakeholders, including state and local FSP agencies, any partner organizations that help administer the demonstrations, and alternative food assistance providers in the community. The evaluation will assess the effects on each of these stakeholders. In particular, the evaluation will examine how the operations of the FSP local offices change because of the demonstration, including any changes in the application procedures, the roles of the caseworkers or the caseworker caseloads, concerns about fraud, and the services caseworkers provide. It will address whether services improved for elderly participants at the cost of poorer service to other participants. It also will assess whether the demonstrations had any effect on the demand for food from alternative food assistance providers. Data to support these analyses will come from semi-structured interviews with key stakeholder staff, supplemented with data from the quarterly reports submitted by the sites.

## **6. Describe the Implementation of the Demonstrations**

Another important goal of the Elderly Nutrition Demonstrations is to identify how effective strategies can be replicated. To this end, the evaluation will describe in detail how each site implemented its demonstration. This will include a detailed description of the changes each agency—the state (and county, if applicable) FSP agency, local FSP agencies, and nonprofit organizations—made to implement the demonstration. All steps will be described, including the process for identifying and recruiting nonprofit organizations as partners, outreach efforts,

changes to application forms, staff training, and any other administrative changes. The evaluation will also ask each stakeholder to describe the problems encountered in implementing the demonstration, how these problems were overcome, and what lessons were learned while implementing the demonstration. Understanding the problems involved in implementing the demonstrations will not only assist future efforts to implement similar programs, but also it will assist the evaluators in interpreting the findings from the evaluation.

### **C. RECOMMENDATION**

We have one primary recommendation pertaining to the evaluation. We recommend that USDA provide funding for the demonstrations to operate until September 2004 or beyond. It often takes interventions such as demonstrations several years to yield any detectable impacts. Consequently, the demonstrations are more likely to yield measurable impacts on FSP participation and client satisfaction if they operate for an additional year. Another year of operation will also provide the evaluators with more data to evaluate. This is particularly important for the evaluation of client satisfaction. Because Office of Management and Budget (OMB) approval is required for the client satisfactions survey (as described in Chapter II), the survey data collection will not begin until June 2003 or later—depending on when OMB approval is obtained. If survey data collection begins in June 2003 and the demonstrations end in September 2003, the evaluators will be able to collect data on client satisfaction for only three quarters. If OMB approval takes more than three months, the evaluators will be able to collect data on client satisfaction for only two quarters.

The rest of our recommendations pertaining to the evaluation are presented in Chapter II of this report.

## **D. ORGANIZATION OF THIS REPORT**

The remainder of this report describes the evaluation options, schedule, and budget options for the evaluation of the Elderly Nutrition demonstrations. Chapter II presents the evaluation options and schedule. Chapter III presents the budget options and assumptions. Appendix A presents minor revisions to the Final Design Report (Sing et al. 2002) due to information we received after writing that report. It contains information about Arizona, which replaced Oregon as the sixth demonstration state, presents the comparison sites selected for Arizona and Michigan, and includes clarifications to the data specifications.